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April 16, 1993

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VIA FACSIMILE

Mr. Lowell Braxton
Associate Director for Mining
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

Re: Drum Mine

Dear Mr. Braxton:

Since our letter to you of March 15, 1993, our client, Western States Minerals Corporation ("WSMC"), has become increasingly concerned that Asoma (Utah), Inc., the owner of the Drum Mine in Millard County, Utah, may have insufficient resources with which to bond its operations at the Drum Mine. Specifically, though WSMC will almost certainly be entitled to release of its bond, upon conclusion of the Colorado litigation now pending between WSMC and Asoma, WSMC may find some difficulty obtaining a release of its bond if Asoma is then unable to replace WSMC's bond with adequate surety of its own.

Under any possible outcome of the litigation pending between WSMC and Asoma in the Jefferson County, Colorado District Court, Asoma will be required to accept WSMC's assignment of all permits for the Drum Mine operation. Asoma now owns the Drum Mine property. The Colorado court will either order WSMC to assign all permits to Asoma but require WSMC to perform (or pay for) the permit reclamation obligations, or the court will require WSMC to assign all permits to Asoma and have Asoma perform (or pay for) the permit reclamation obligations.

WSMC understands DOGM's reluctance to release WSMC's bond on the Drum Mine until the question of the responsibility for reclamation is finally resolved by the Colorado court. However, WSMC is concerned that Asoma will be required by the court to accept transfer of all permits

